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C O N F I D E N T I A L SECTION 01 OF 03 PRAGUE 000328

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SUBJECT: AGING CZECH SOCIAL DEMOCRATS RE-ELECT A WEAKENED

PAROUBEK, MISS CHANCE FOR CHANGE

REF: PRAGUE 315

Classified By: Political-Economic Counselor Michael Dodman for reasons 1.4 b+d.

11. (C) SUMMARY: The Czech Social Democrats (CSSD) held their annual party congress March 23-25, as an opposition party for the first time in nine years. Party Chairman Jiri Paroubek was re-elected. In spite of running unopposed, Paroubek received only 60% of the votes, down from the 92% he received when he ran unopposed at an extraordinary Congress in May, 2006, reflecting divisions within the party. Paroubek's call for modernization also went largely unheeded. Instead, delegates called on Paroubek to change his autocratic style, which served the party well after the scandal and resignation of Paroubek's predecessor, Stanislav Gross, but which now puts off many members. Paroubek was able to push through one resolution opposing the re-election of President Vaclav Klaus, but failed on a second resolution calling for a quota for female candidates. Missile defense (MD) was debated briefly and a move to pass a resolution against it failed. Ambassador Graber gave a well received speech focused largely on MD, stressing that the threat is real and that the proposed system is not directed against Russia and can be compatible with NATO. However, most CSSD delegates we spoke with said they see MD purely as a domestic political question, and something that they as an opposition party will have no choice but to oppose. END SUMMARY.

A PARTY OF RETIREES

- 12. (SBU) The main issue at the gathering was the need for the party to attract young voters as well as young candidates. During the congress, political scientist Vladimira Dvorakova called the Social Democrats "a party of retirees," and said the party has no vision and no clear concept of what its future should be. Paroubek used his plenary speech to call for modernization, demanding the party find new blood, more female candidates, and new young mayors who can speak foreign languages. But the party chose the same leadership it had previously, with the exception of Milan Urban, the middle-aged former Minister of Industry and Trade, who was made a new Deputy Chair.
- 13. (C) Paroubek and other speakers spent more time pouring vitriol on rivals than outlining the party's own priorities. President Vaclav Klaus, honorary Chairman of the ruling Civic Democrats (ODS), sent the gathering a message saying the Social Democrats, though in opposition, still had a major role to play in ensuring the country's well being. Paroubek responded by saying that CSSD would not support any of the ODS "asocial reforms." Paroubek also demanded, and received, a resolution preventing CSSD parliamentarians from supporting President Klaus in the next presidential election in March, 12008. The resolution is unconstitutional according to Vojtech

Cepl, the author of the constitution, and unenforceable anyway, since the vote is secret. The party promised to put forward its own candidate, though no names were mentioned. One possibility, frequently mentioned in the press, is former Attorney General Marie Benesova, who told Embassy officials "not to take such speculation seriously."

- 14. (SBU) Former Prime Minister and CSSD Chairman Milos Zeman, long considered a potential presidential candidate next year, resigned from the party a day before the CSSD Congress began. Zeman blamed Paroubek for launching an investigation into a case, for which Zeman shares responsibility, that threatens to bankrupt the party. Since he continues to maintain the support of many CSSD members, Zeman's departure could be one reason that Paroubek did not receive more support at the Congress. Zeman was labeled a "has been" by Jan Hamacek, Chairman of the Foreign Affairs Committee in Parliament (and, at 28, exactly the sort of young blood Paroubek wants to see more of in the party), who told us Zeman is not running and wouldn't even get the support of the party if he did.
- 15. (U) Paroubek also demanded, but was not given, a resolution calling for a quota for female candidates. One of Paroubek's critics within the party used his own speech to argue that the party used to have strong popular female candidates such as former Education Minister Petra Buzkova and asked rhetorically, "Did Buzkova need a quota? We need more candidates like her, not quotas."

MD? ONLY AREA OF DISAGREEMENT

16. (C) Missile defense was mentioned briefly in Paroubek's opening day speech to the delegates and debated on day three of the gathering. Paroubek said the issue was dividing the

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ruling three-party coalition, and predicted the junior partner, the Greens, would be forced by their voters to oppose the measure, which is supported by the other two members of the coalition. Paroubek didn't belabor the issue, referring to recent critical statements by Social Democrat leaders in Germany and saying, "If you know their position, then you know mine as well." (Comment: Recent comments by German Foreign Minister Frank-Walter Steinmeier (SPD) as well as Party Chair Kurt Beck and others claim the system is unneeded, counterproductive, and likely to divide Europe and lead to a new arms race. While Paroubek's public comments on MD have generally pandered to the large majority of CSSD members who oppose MD, in private he has told us -- most recently during a meeting on March 20 with the Ambassador, reftel -- that he supports the radar.)

- 17. (C) As predicted reftel, shadow Foreign Minister Lubomir Zaoralek, who had earlier given a curiously impassioned speech calling for "modernization based on the Czech language and Czech culture," tried to introduce a resolution opposing MD on the final day of the Congress. Others in the party tried to introduce more nuanced resolutions demanding some link to NATO or European defense structures. In the end, the resolution was put off for the time being. Party International Secretary Katerina Prudkova told us she does not think the issue will be revisited soon.
- 18. (C) Ambassador Graber delivered a short speech, which included arguments on the need for missile defense and a request to keep an open mind until the bilateral negotiations were completed and all the facts known. Richard Falbr, CSSD Europarliamentarian told an Embassy official he thought it "was a very good speech." But political commentator Alexander Mitrafanov told the same Embassy official that he listened to the Ambassador's speech in the company of several CSSD delegates who said that the Embassy's efforts to provide answers to any technical questions related to MD were not going to change people's minds. Mitrafanov passed on the delegates' views that opposition to the American base is attributable to American mistakes over the last few years,

particularly with regard to human rights abuses.

- ¶9. (C) Another CSSD member of the European Parliament, Libor Roucek used his speech to the delegates to rebut the charges by the Civic Democrats (ODS) that CSSD is anti-American. Roucek, who is married to an American and previously worked for the Voice of America, said he considers himself very pro-American. He stressed that his opposition to MD is based on analysis of the issue, not emotions. Roucek told Embassy officials that two months ago the topic of missile defense wasn't being debated in Brussels but that discussions have recently begun on how to formulate a common policy. Jan Hamacek, recently returned from a USG-sponsored International Visitor Program, thanked the Ambassador for making the program possible and offered the opinion that relations between the U.S. and the Czech Republic were very good, "with missile defense the only area of disagreement.
- 110. (C) CSSD delegates showed no interest in cooperating with the government, including on MD. One MP, Josef Rihak, who is also mayor of Pribram, the seat of the district in which the proposed base will be located, told us that he personally has nothing against the MD facility, but that with opposition in his district running so high, there was no way he could turn his back on the voters and side with the government. Said Rihak, "if I did that, I would be fired and replaced by somebody else who would oppose the base."
- 111. (C) COMMENT. Paroubek's level of support has fallen by 32 points over the last year and is now only 9 points higher than the level of support enjoyed by former CSSD Prime Ministers Vladimir Spidla and Stanislav Gross when they were forced from office. But Paroubek, known by the nickname "bulldozer," faces no challenger for the party leadership, and we do not believe his position at the helm of the party to be threatened. Nevertheless, with the low vote in his favor and the failure to win approval for his internal reform proposals, Paroubek is generally judged to have emerged from the Congress somewhat weakened. This means we can expect to see his populist and anti-government rhetoric increase -with perhaps the first test of that coming during a planned March 28 trip to Brdy, site of the proposed radar. Despite this rhetoric and the negative assessments we heard from many CSSD delegates, it is too soon to conclude that CSSD will not provide any votes in support of an eventual MD agreement. A truly weakened Paroubek would prove difficult to work with; a strong party leader, who expects that he will again become prime minister, we expect will continue to take the flexible approach he has to date on the issue. While somewhat

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weakened by the Congress, Paroubek still has plenty of time to recalibrate and strengthen his hand. END COMMENT GRABER